



25 May 2017

UBS AG, Australia Branch

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FOR IMMEDIATE RELEASE TO THE MARKET

The Warrant Administration Manager
ASX Structured Products
Level 6, 20 Bridge St
Sydney NSW 2000

Dear Registered Instalment Holder,

**UBS Rolling Self Funding Instalments
Annual Interest Date – 23 June 2017**

UBS AG, Australia Branch ("UBS") is the issuer of the "SSS" and "SSU" Series of UBS Rolling Self Funding Instalments ("Rolling SFIs") issued pursuant to the Product Disclosure Statement dated 2 February 2009 and all relevant Supplementary Product Disclosure Statements (together the "PDS").

UBS hereby gives notice of the up-coming Annual Interest Date of the Rolling SFIs, details of which are set out in the enclosed schedule.

As stated in the PDS, on each Annual Interest Date (until the Final Maturity Date) UBS may, at its discretion, terminate any series of Rolling SFIs. At this time, UBS expects that none of the series of Rolling SFIs may terminate on the Annual Interest Date (also as listed in Schedule 1).

UBS does not expect to terminate the remaining series of Rolling SFIs unless the level of gearing (that is the Completion Payment for a Series as a percentage of the price of the Underlying Security for the Series) rises to a level that UBS in its absolute discretion deems to be unacceptably high. In the schedule enclosed with this letter we have set out a non-binding indication of the price levels for the Underlying Securities at which we are likely to elect to terminate each existing series of Rolling SFIs (the "Threshold Underlying Security Price"). You should review the schedule and form a view as to the likelihood of the Underlying Securities reaching, or falling below, those Threshold Underlying Security Prices. UBS reserves the right to terminate any Series on the next Annual Interest Date for this or any other reason. UBS also reserves the right not to terminate a Series even if the Underlying Security Price at Close on the Annual Interest Date is at or below the Indicative Threshold Underlying Security Price set out in the Schedule.

If UBS does proceed to terminate any of your Rolling SFIs on an Annual Interest Date, you will not be able to obtain full legal ownership of the Underlying Securities unless you have provided a valid and effective Completion Notice in sufficient time before that Annual Interest Date. The form of Completion Notice for this purpose is attached to this notice for you to complete if you elect to do so.

In Appendix 1 we set out the alternatives available to you at this time.



Please note that you are not required to do anything at this time. However, if you do nothing and UBS elects to terminate your series of Rolling SFIs, your Underlying Securities will be sold and you will receive an Assessed Value Payment (if any) in cash.

Unless otherwise stated, all terms used in this notice have the same meaning as that given in the PDS.

Please do not hesitate to **call the UBS Warrants Desk on 1800 633 100** if you have any questions regarding the above.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Andrew Lockhart".

UBS AG, Australia Branch
Andrew Lockhart
Director

A handwritten signature in black ink, appearing to read "Scott Hanlon".

UBS AG, Australia Branch
Scott Hanlon
Executive Director

Important Notice

This document has no regard to the specific investment objectives, taxation position, financial situation or particular needs of the specific recipient and does not purport to give any financial, taxation or legal advice. Because of this, the recipient should, before acting on the contents of this document, consider the appropriateness of the contents of this document, having regard to the recipient's objectives, taxation position, financial situation and needs and should refer to the Product Disclosure Statement and relevant Supplementary Product Disclosure Statement(s) before making any decision with respect to the contents of this document. UBS makes no representation as to the accuracy or otherwise of any interpretation of law, or any conclusion based on that interpretation that may be contained in this document. Recipients of this document should obtain independent advice on the tax, legal and financial implications of the expiry of the "SSS" and "SSU" Series of Rolling SFIs. This document is published solely to provide information to holders of those Rolling SFIs in accordance with their terms and is not to be construed as a solicitation, recommendation or offer to buy or sell any financial products or instruments. The contents of this document should not be regarded by recipients as a substitute for the exercise of their own judgment. To the maximum extent permitted by law, UBS accepts no liability whatsoever for any loss or damage of any kind arising out of the use of all or any part of the document.

Appendix 1

Alternatives available to Holders of the SSS and SSU Series of UBS Rolling Self Funding Instalments on the Annual Interest Date

Alternative 1: Completion Notice conditional on termination on the next Annual Interest Date

Submit to UBS a completed Completion Notice electing, ONLY IN THE EVENT THAT UBS ELECTS TO TERMINATE YOUR SERIES OF ROLLING SFIs ON THIS NEXT ANNUAL INTEREST DATE, to take delivery of the Underlying Securities by exercising the UBS Rolling Self Funding Instalment and making the Completion Payment. See election (A) on the Completion Notice.

Holders may elect to pay the Completion Payment and receive the Underlying Securities, to take effect only if UBS elects to terminate the Rolling SFI's on the next Annual Interest Date, by:

- (a) completing and forwarding to UBS the attached Completion Notice selecting election (A) "Completion Notice conditional on termination on the next Annual Interest Date"; and
- (b) forwarding to UBS payment of the Completion Payment by completing and forwarding to UBS the attached Direct Debit Request Form and ensuring funds equal to the amount of the Completion Payment are in the account; and
- (c) ensuring that the Completion Notice and payment of the Completion Payment are received by UBS by 4:00 pm on 23 June 2017.

Alternative 2: Unconditional Completion Notice on the next Annual Interest Date

Submit to UBS a completed Completion Notice electing to take delivery of the Underlying Securities on the next Annual Interest Date by exercising the UBS Rolling Self Funding Instalment and making the Completion Payment regardless of whether or not the series of Rolling SFIs is terminated. See election (B) on the Completion Notice.

Holders may elect to pay the Completion Payment and receive the Underlying Securities regardless of whether UBS elects to terminate the Rolling SFI's on the Annual Interest Date, by:

- (a) completing and forwarding to UBS the attached Completion Notice selecting election (B) "Unconditional Completion Notice on the next Annual Interest Date"; and
- (b) forwarding to UBS payment of the Completion Payment by completing and forwarding to UBS the attached Direct Debit Request Form and ensuring funds equal to the amount of the Completion Payment are in the account; and
- (c) ensuring that the Completion Notice and payment of the Completion Payment are received by UBS by 4:00 pm on 23 June 2017.

Alternative 3: Unconditional Completion Notice for any Completion Notice Date

Submit to UBS a completed Completion Notice electing to take delivery of the Underlying Securities by exercising the UBS Rolling Self Funding Instalment and making the Completion Payment regardless of whether or not the series of Rolling SFIs is terminated on the next or any other Annual Interest date or otherwise. See election (C) on the Completion Notice.

Holders may elect to pay the Completion Payment and receive the Underlying Parcel regardless of whether UBS elects to terminate the Rolling SFI's on the Annual Interest Date by:

- (a) completing and forwarding to UBS the attached Completion Notice selecting the "Unconditional Completion Notice for any Completion Notice Date" option; and
- (b) forwarding to UBS payment of the Completion Payment by either:
 - completing and forwarding to UBS the attached Direct Debit Request Form and ensuring funds equal to the amount of the Completion Payment are in the account; and
 - payment in cleared funds such as a bank cheque for the amount of the Completion Payment made payable to "UBS AG, Australia Branch"; and



- (c) ensuring that the Completion Notice and payment of the Completion Payment are received by UBS by 4:00 pm on 23 June 2017.

Important information about Completion Notices:

- The Completion Notice may be given on any day before the Annual Interest Date or before the Closing Time on the Annual Interest Date.
- A Completion Notice is irrevocable once given.
- A Completion Notice is effective when received by UBS on the terms of the PDS ("**the Completion Notice Date**"), subject to the Completion Payment being received by UBS in cleared funds and the person who gave the valid and effective Completion Notice being or becoming registered as the Holder within 5 Business Days after the Completion Notice Date.
- The Completion Payment may vary from the date of this letter as a result of the Underlying Security commencing trading on an ex-distribution basis or as a result of a corporate action. Please call the UBS Warrants Desk on **1800 633 100** to confirm the current Completion Payment.

Alternative 4: Do nothing and if your series of Rolling SFI's is terminated, receive the Assessed Value Payment (if any) in respect of your Rolling SFIs

If Holders:

- (a) fail to exercise their Rolling SFI's before the Closing Time on the next Annual Interest Date and fail to validly choose another alternative for their Rolling SFI's; or
- (b) do nothing in relation to their Rolling SFI's,

AND THE HOLDER'S ROLLING SFIs ARE TERMINATED ON THAT NEXT ANNUAL INTEREST DATE,

the Rolling SFI's will automatically lapse and the Underlying Parcel will be transferred to UBS. The amount payable by UBS to Holders for the Underlying Parcel will be less fees and costs incurred in the transfer of the Underlying Parcel and the repayment of the Loan Amount. UBS will return to the Holder the balance (if any) (the "Assessed Value Payment"). Refer to Part 2.6.2 of the Product Disclosure Statement dated 2 February 2009 for an explanation of the Assessed Value Payment Calculation.

As UBS's recourse to Holders for the Loan is limited, if the amount payable by UBS for the Underlying Parcel is not sufficient to repay the Loan Amount in full, Holders will not be required to pay the shortfall.

Alternative 5: Sell your Rolling SFIs on ASX on or before the Closing Time on the next Annual Interest Date

Instead of exercising Rolling SFIs, by giving a Completion Notice and making the Completion Payment (in accordance with either Alternatives 1, 2, or 3), Holders may choose to sell the Rolling SFIs on the ASX any time before the Closing Time on the Annual interest Date. Holders will need to contact their broker to arrange the sale. You will be able to offer for sale your Rolling SFIs prior to the Annual Interest Date, however you will only be able to sell a series of Rolling SFIs after the next Annual Interest Date if UBS has not exercised its discretion to terminate that series of Rolling SFIs on that Annual Interest Date.

Alternative 6: Switch to a Rolling SFI series (or other UBS Instalment series) with a lower/higher gearing level by rolling the Rolling SFI into a new series of Instalments (if available)

Holders of Rolling SFIs may elect to switch to another series of Rolling SFIs with a lower/higher gearing level by making an application to roll their current Series of Rolling SFIs into another series of Rolling SFIs. Refer to the attached Schedule for a list of all current Rolling SFIs. Holders of Rolling SFIs may also elect to switch to a series of UBS Share Builders with a lower/higher gearing level by making an application to



roll their current Series of Rolling SFIs into a corresponding series of UBS Share builder Series. For a list of alternative UBS Share Builders please refer to Table 1 below.

Holders may make a rollover application by:

- (a) contacting the UBS Warrants Desk on 1800 633 100 to obtain, copy of the relevant PDS (including application form), the amount of the Rollover Payment to be paid by Holders or the Rollover Cashback to be received by Holders and their unique Application Number;
- (b) completing and forwarding to UBS the Rollover Application Form for the new series of Rolling SFIs and including their Application Number on the Application Form;
- (c) forwarding to UBS any supporting information required by UBS; and
- (d) forwarding to UBS payment of the Rollover Payment (if any) by either:
 - a bank cheque for the amount of the Rollover Payment made payable to "UBS AG, Australia Branch"; or
 - completing and forwarding to UBS the attached Direct Debit Request Form and ensuring funds equal to the amount of the Rollover Payment are in the account; and
- (e) ensuring that the Rollover Application Form and payment of the Rollover Payment (if any) are received by UBS by 4:00 pm on 23 June 2017.

Please note that UBS reserves the right to reject any rollover application in whole or part without giving any reason. **SMSFs should refer to Part 3.15 of the PDS and seek their own advice before investing in a UBS Rolling Self Funding Instalment by Rollover Application.** If a Holder's rollover application is not accepted and the Holder has not effectively elected another alternative for the Annual Interest Date, Alternative 4 detailed above will apply.

Table 1 (UBS Share Builders)

Code/Ref	Issuer of Underlying Security	Loan Amount as at 25 May 2017	Annual Interest Date	Maturity Date
RIOSSE	Rio Tinto Limited ("RIO")	\$26.2725	8-Jun-17	3-Jun-22
TLSSSE	Telstra Corporation Ltd ("TLS")	\$3.3900	8-Jun-17	3-Jun-22
WOWSSE	Woolworths Limited ("WOW")	\$13.5800	8-Jun-17	3-Jun-22

Please note the above loan amounts will change as a result of Annual interest Date applicable to the relevant Series on 8 June 2017), Corporate Actions and ex-distribution dates occurring after 25 May_ 2017. Current loan amount can be accessed on our website www.ubs.com/investmentbuilders.

Schedule

UBS Rolling Self Funding Instalments

ASX Code	Underlying Security Price as at 25 May 2017	Indicative Threshold Underlying Security Price at 25 May 2017 ¹	Indicative Completion Payment (as at 23 June 2017) ²	Indicative Loan Amount after Annual Interest Date (23 June 2017)	Indicative Interest Rate (p.a.)
RIOSSS	\$63.8800	\$39.8500	\$31.8426	\$33.8694	6.00%
TLSSSU	\$4.5000	\$2.0400	\$1.6365	\$1.7312	5.49%
WOWSSU	\$26.2500	\$21.4600	\$17.1138	\$18.2418	6.20%

¹ The Indicative Threshold Underlying Security Price may be changed at UBS's absolute discretion. It may also vary in the event the Underlying Security commences trading on an ex-distribution basis or as a result of a corporate action during the period from 25 May 2017 until the Annual Interest Date (inclusive).

² The Indicative Completion Payment may change in the event the Underlying Security commences trading on an ex-distribution basis or as a result of a corporate action during the period from 25 May 2017 until the Annual Interest Date (inclusive).



UBS Completion Notice

UBS Instalment Warrants – Completion Notice

To: Equity Operations
UBS AG, Australia Branch
Level 16, Chifley Tower
2 Chifley Square
Sydney NSW 2000

Dear Sir/Madam,

This is to notify you that I/we, being the Holder/s entitled to be registered as Holder of the number of Rolling SFI's in the Series specified below and issued pursuant to the Rolling SFI's Product Disclosure Statement ("PDS") dated 02 February 2009 hereby give a Completion Notice in respect of those Rolling SFI's which applies only in the circumstances which I/we have elected by placing a tick in one or more of the corresponding boxes at A through C below:

A. ☐ CONDITIONAL COMPLETION ON ANNUAL INTEREST DATE

A Completion Notice conditional on termination on the next Annual Interest Date in respect of those Rolling SFI's. This Completion Notice is given in respect of potential termination on the next Annual Interest Date after the date of this notice only, and this election (A) is conditional on UBS electing to terminate the UBS Rolling SFI on that next Annual Interest Date which falls after the date of this Notice by UBS publishing to ASX a notice confirming that UBS's notice to terminate on that Annual Interest Date is unconditional and immediately effective. This notice is accompanied by a completed Direct Debit Request Form for the total Completion Payment in respect of each of those UBS Rolling SFI.

B. ☐ UNCONDITIONAL COMPLETION ON ANNUAL INTEREST DATE

An Unconditional Completion Notice in respect of those Rolling SFI's on the next Annual Interest Date. This Completion Notice is given in respect of the next Annual Interest Date after the date of this notice only, and this election (B) is in any event effective on the next Annual Interest Date whether or not UBS elects to terminate the UBS Rolling SFI on that next Annual Interest Date which falls after the date of this Notice by UBS publishing to ASX a notice confirming that UBS's notice to terminate on that Annual Interest Date is unconditional and immediately effective. This notice is accompanied by a completed Direct Debit Request Form for the total Completion Payment in respect of each of those UBS Rolling Self Funding Instalments.

C. ☐ IMMEDIATE UNCONDITIONAL COMPLETION

An Unconditional Completion Notice in respect of those Rolling SFI's for any Completion Notice Date. This Completion Notice is unconditional and is given as a Completion Notice of immediate effect on the first Completion Notice Date which is available. This notice is accompanied by a payment in cleared funds (e.g. bank cheque) for the total Completion Payment in respect of each of those UBS Rolling Self Funding Instalments in favour of UBS AG, Australia Branch.

Terms defined in the PDS have the same meaning in this Completion Notice.

This Completion Notice is accompanied by a bank cheque or Direct Debit Request Form for the total Completion Payment in respect of each of those Rolling SFI's in favour of UBS AG, Australia Branch.

Name and Address of Holder:

«REG_ADDRESS_LINE_1»
«REG_ADDRESS_LINE_2»
«REG_ADDRESS_LINE_3»
«REG_ADDRESS_LINE_4»

HIN/SRN: «HOLDER_IDENTIFIER»

PID: «BROKER_CODE»

Holder's Contact Details:

Name: Telephone No:

Exercise Details:

ASX UBS Instalment Code	Number of Rolling SFI's to be Exercised	Indicative Completion Payment (as at 25 May 2017)**	Total Completion Payment Due	The PID + HIN, or SRN for any current holding of Underlying Securities (if different to the HIN/SRN or PID specified above)*
RIOSSS				
TLSSSU				
WOWSSU				
TOTAL			\$	

*If the Underlying Securities are to be entered on the CHESS subregister, please insert your PID and HIN (if different to the PID and HIN for your Rolling SFI's specified above). If your Underlying Securities are to be entered on the Issuer Sponsored Subregister, please insert your SRN (if different to the SRN for your Rolling SFI's specified above).

** The Indicative Completion Payments are as at 25 May 2017 and may change in the event the Underlying Security commences trading on an ex-distribution basis or as a result of a corporate action during the period from 25 May 2017 until the Annual Interest Date (inclusive).

**COMPLETION PAYMENT DETAILS:**

For payment of the Completion Payment you must provide either (as applicable as explained at options (A) through (C) above):

- a bank cheque for the amount of the Completion Payment made payable to "UBS AG, Australia Branch"; or
- complete and forward to UBS the attached **Direct Debit Request Form** and ensure funds equal to the amount of the Completion Payment are in the account.

Cheque Details:

Drawer

Bank

Branch

Amount of Cheque

This Completion Notice together with payment of the Completion Payment must be received by UBS no later than 4:00pm on 23 June 2017 to be effective for that Annual Interest Date.

INSTRUCTIONS:

- **THIS COMPLETION NOTICE MUST BE SIGNED AND DATED**
- **IF THE UBS INSTALMENT HOLDING IS REGISTERED IN MORE THAN ONE NAME ALL HOLDERS MUST SIGN THIS COMPLETION NOTICE**

DATED: _____**(Individual Holder or Joint Holders)**_____
First Holder's Signature_____
Second Holder's Signature (if applicable)_____
First Holder's Name_____
Second Holder's Name (if applicable)**(Company Holder)**

Executed in accordance with the Corporations Act by:

Company name_____
Company ACN_____
Signature of Director_____
Signature of Director/Company Secretary_____
Name of Director_____
Name of Director/Company Secretary



Direct Debit Request Form

Please complete this form if you wish to make a payment to UBS by direct debit from your account.

Request and Authority to debit the account named below to pay	
UBS Securities Australia Ltd	
Request and Authority to debit	<p>Surname / company name _____</p> <p>Given names / ACN / ABN _____ ("you")</p> <p>request and authorise UBS Securities Australia Ltd (User ID number 181244) to arrange, through its own financial institution, for any amount UBS Securities Australia Ltd or UBS AG, Australia Branch may debit or charge you to be debited through the Bulk Electronic Clearing System from an account held at the financial institution identified below and paid to UBS Securities Australia Ltd, subject to the terms and conditions of the Direct Debit Request Service Agreement.</p>
Insert the name and address of financial institution at which account is held	<p>Financial institution name _____</p> <p>Address _____</p>
Insert details of account to be debited	<p>Name of account _____</p> <p>BSB number [] [] [] - [] [] []</p> <p>Account number [] [] [] [] [] [] [] [] [] []</p> <p>Must exactly match the bank account details in Section G of your Application Form.</p>
Acknowledgement	<p>By signing this Direct Debit Request you acknowledge having read and understood the terms and conditions governing the debit arrangements between you and UBS Securities Australia Ltd as set out in this Request and in your Direct Debit Request Service Agreement (refer to Appendix 1 of the Loan Agreement).</p>
Insert your signature and address	<p>Signature 1 _____</p> <p>Signature 2 _____</p> <ul style="list-style-type: none">▪ If you have a joint account both signatures are required.▪ If signing for a company, sign and print full name and capacity for signing eg. Director. <p>Address _____</p> <p>Date ____ / ____ / ____</p>